

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such proposals.

5. Lease Designation and Serial Number:  
N7570

6. If Indian, Allocated or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

9. API Well Number:

10. Field and Pool, or Wildcat:  
Rozel Point

County: Box Elder

State: Utah

1. Type of Well: OIL  GAS  OTHER:

2. Name of Operator:  
Kenneth Pixley

3. Address and Telephone Number:  
Rt. 1, Box 132 Altus, OK 73521 (580) 482-4082

4. Location of Well 08N 07W 8; 08N 07W 17  
Footages:  
QQ, Sec., T., R., M.:

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT  
(Submit in Duplicate)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Multiple Completion
- Other See Below
- New Construction
- Pull or Alter Casing
- Recomplete
- Reperforate
- Vent or Flare
- Water Shut-Off

Approximate date work will start \_\_\_\_\_

SUBSEQUENT REPORT  
(Submit Original Form Only)

- Abandon
- Repair Casing
- Change of Plans
- Convert to Injection
- Fracture Treat or Acidize
- Other \_\_\_\_\_
- New Construction
- Pull or Alter Casing
- Reperforate
- Vent or Flare
- Water Shut-Off

Date of work completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

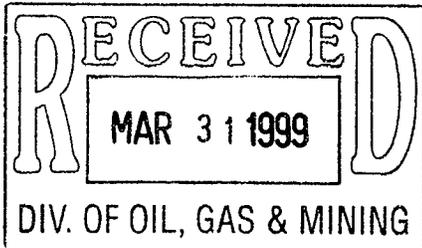
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

43-003-15583  
43-003-15584  
43-003-15586  
43-003-20033  
43-003-30024  
43-003-30025

These wells were plugged by E.P.A.

There was no danger to fresh water -- they are covered by approximately 3' of salt water.

We plan to reopen these wells in the near future. The timing is to be determined by the control of water in the Great Salt Lake.



COPY SENT TO OPERATOR  
Date: 5-20-99  
Initials: CHD

13. Name & Signature: Kenneth Pixley Title: President Date: 3-26-99

(This space for State use only)

*by Linda Moore*

Per Edie Trimmer @ Forestry, Fire, & State Lands; Assignment of Pixley's lease to new operator is pending bonding. They have no bond ~~Accepted by the~~ lease. Edie to notify us if new lease holder posts bonds. Otherwise, this may need to go to Board for plugging order.

Utah Division of Oil, Gas and Mining

Date: 5-19-99  
By: RJK

(See Instructions on Reverse Side)

OPERATOR KENNETH PIXLEY  
 ADDRESS \_\_\_\_\_

OPERATOR ACCT. NO. N 7570

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					00	SC	TP	RG			
A	99999	11494	43-003-30024	C.D.I. #1	NESE	8	8N	7W	BOX ELDER	6-21-82	7-22-93
WELL 1 COMMENTS: *STAT FR DRL TO TA.											
A	99999	11495	43-003-30025	C.D.I. #2	NWNE	17	8N	7W	BOX ELDER	6-21-82	7-22-93
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)  
 A - Establish new entity for new well (single well only)  
 B - Add new well to existing entity (group or unit well)  
 C - Re-assign well from one existing entity to another existing entity  
 D - Re-assign well from one existing entity to a new entity  
 E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

L. CORDOVA (DOGMI)  
 Signature  
 ADMIN. ANALYST  
 Title  
 Date 7-22-93  
 Phone No. ( ) \_\_\_\_\_

Division of Oil, Gas and Mining  
**PHONE CONVERSATION DOCUMENTATION FORM**

Route original/copy to:

Well File \_\_\_\_\_  
\_\_\_\_\_  
(Location) Sec \_\_\_ Twp \_\_\_ Rng \_\_\_  
(API No.) \_\_\_\_\_

Suspense  
(Return Date) \_\_\_\_\_  
(To - Initials) \_\_\_\_\_

Other  
Operator File  
Well Files  
CDZ 1 & 2

1. Date of Phone Call: 7-22-93 - Time: 8:30

2. DOGM Employee (name) J. Cordova (Initiated Call   
Talked to:

Name Becky (Initiated Call  - Phone No. ( ) X5476  
of (Company/Organization) St. Land's & Forestry

3. Topic of Conversation: ML-32317 cancelled 1986.  
"Gr. Salt Lake Exploration", Lessee (No Bond)

4. Highlights of Conversation: \_\_\_\_\_

No new lease issued.

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO.

ML-32317

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

7. UNIT AGREEMENT NAME

Rozel Point

8. FARM OR LEASE NAME

C.I.D.I. #1

9. WELL NO.

D.D.I. #1

10. FIELD AND POOL, OR WILDCAT

Sec 8 T8N R 7W SUB

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 8 T8N R 7W

SUB + M

12. COUNTY OR PARISH

Box Elder

13. STATE

Utah

2. NAME OF OPERATOR

Kenneth Pixley DBA K.P. Enterprises

3. ADDRESS OF OPERATOR

1775 N. Book S.L.C. Utah 84116

4. LOCATION OF WELL (Report location clearly, and in accordance with any State requirements)

At surface 1716 S 416 W NE corner of SE 1/4

At top prod. interval reported below 8 sec 8 T8N 7-W. S LB + M

At total depth 260' None well capped for Further Evaluation

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED

6-82

16. DATE T.D. REACHED

6-82

17. DATE COMPL. (Ready to prod.)

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

263

21. PLUG, BACK T.D., MD & TVD

22. IF MULTIPLE COMPL., HOW MANY\*

23. INTERVALS DRILLED BY

→ 263

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*

Little oil show 225-230

25. WAS DIRECTIONAL SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

None

27. WAS WELL CORRED.

NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8" II	28.64	130			
10"	34.74	30			

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
	None						

31. PERFORATION RECORD (Interval, size and number)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
None	

33.\* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
None							
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
			→				
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)	
		→					

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

*Kenneth Pixley*

TITLE

*opr.*

DATE

6-82

Received 5/20/85<sup>05</sup>  
108

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO.

*ML-32317*

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

*K.P.-2*

7. UNIT AGREEMENT NAME

*Rozel Point*

8. FARM OR LEASE NAME

*C.D.I. 1*

9. WELL NO.

*C.D.I. 1*

10. FIELD AND POOL, OR WILDCAT

*SEC. 8 T8N R7W*

11. SEC., T., S., M., OR BLE. AND SURVEY OR AREA

*S-8 T8N R7W SUBM*  
*Box Elder*

12. COUNTY OR PARISH

*Box Elder*

*SUBM*

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
*Kenneth D.B.A. K.P. Enterprises*

3. ADDRESS OF OPERATOR  
*1775 N. Beck S.L.C. Utah 84111*

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)  
At surface *1216' S 416' W NE corner of SE 1/4 SEC 8 T 8 N 7-W. SUBM*

14. PERMIT NO.  
*API 43-003-30074*

15. ELEVATIONS (Show whether DF, RT, OR, etc.)  
*unknown*

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETE

SHOOT OR ACIDIZE

ABANDON\*

REPAIR WELL

CHANGE PLANS

(Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT\*

(Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

*well has been left until further evaluation*

18. I hereby certify that the foregoing is true and correct

SIGNED *[Signature]*

TITLE *op.*

DATE *6-82*

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

*Received 5/20/85*

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS, AND MINING

SUBMIT TRIPPLICATE\*  
(Other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

M L - 32317

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

7. UNIT AGREEMENT NAME

Rozel Point

8. FARM OR LEASE NAME

Rozel Point

9. WELL NO.

G.D.I. 1

10. FIELD AND POOL, OR WILDCAT

Rozel

11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA

Sec 8 T 8N R 7W SLB&M

12. COUNTY OR PARISH

Box Elder

13. STATE

Utah

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Kenneth Pixley D.B.A. K.P. Enterprises

3. ADDRESS OF OPERATOR  
1775 N. Beck St. Salt Lake City, Utah 84116

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface 1216' So. & 416' W from NE corner of SE 1/4 Sec. 8, T 8N R 7W, SLB&M

14. PERMIT NO.

43-003-30025

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

4203 GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

RECEIVED  
JAN 30 1984

DIVISION OF  
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED

*Monte J. Kelly*

TITLE

DATE

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

C.D.I.

# Construction Drilling International

1775 North Beck Street - Phone (801) 532-1222  
Salt Lake City, Utah 84116

21

March 23, 1983

RECEIVED  
MAR 24 1983  
DIVISION OF  
OIL GAS & MINES

State of Utah  
Natural Resources & Energy  
4241 State Office Building  
Salt Lake City, Utah 84114

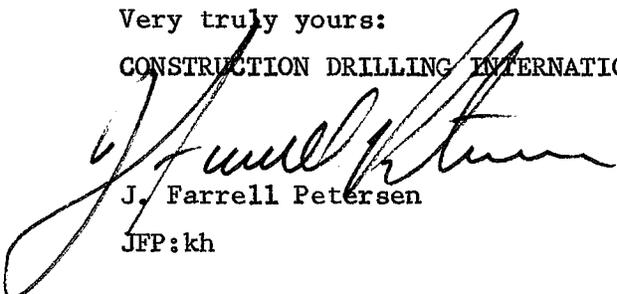
Attention: Cari Furse

Dear Cari:

On June 21, 1982, Mr. Farrell Petersen notified by telephone our intentions to spud both wells number C.D.I. #1 and C.D.I. #2. C.D.I. #1 was TD at 267 feet with no apparent significant hydrocarbon encounter. Thirty feet of conductor casing was set in C.D.I. #2. Since that time the lake level has risen to such an extent we are going to have to change our complete plan of attack. Hopefully some time during the summer of 1983 both of these wells and others can be completed. We do intend on continuing with the project. We will keep you informed of our intentions.

Very truly yours:

CONSTRUCTION DRILLING INTERNATIONAL



J. Farrell Petersen

JFP:kh

-----

Acknowledgment of receipt

Date



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Dr. G. A. (Jim) Shirazi, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

December 27, 1983

Construction Drilling International  
1775 North Beck Street  
Salt Lake City, Utah 84116

Well No. C.D.I. #1  
1424' FSL, 416' FEL NE SE  
Sec. 8, T. 8N, R. 7W  
Box Elder County, Utah

Well No. C.D.I. #2  
104' FNL, 1424' FEL NW NE  
Sec. 14, T. 8N, R. 7W.  
Box Elder County, Utah

Gentlemen:

In your letter of March 23, 1983 from Mr. J. Farrell Petersen you stated that the above wells were spudded, however, since the time they were spudded the lake level had risen to such an extent that you were going to have to change your complete plan of attack.

In checking our records, we have not received any monthly drilling reports or spudding information on these wells. Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1B, (U. S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

We have also received a Notice of Cancellation of your bond #56 0130 12677 82 6 on Well #1 effective October 15, 1983. As long as a well is not plugged and abandoned in accordance with proper procedures, it is mandatory that there be a viable bond. If you wish to continue developing business in the State of Utah, compliance with pertinent rules and regulations is essential.

Thank you for your prompt attention to this matter.

Respectfully,

Claudia Jones  
Well Records Specialist

CJ/cj  
enclosures



STATE OF UTAH  
NATURAL RESOURCES & ENERGY  
Oil, Gas & Mining

Scott M. Matheson, Governor  
Temple A. Reynolds, Executive Director  
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

March 15, 1983

Kenneth Pixley  
1775 North Beck Street  
Salt Lake City, Utah 84116

Re: Well No. C.D.I. # 1 & 2  
Sec. 8 & ~~7~~, T. 8N, R. 7W.  
Box Elder County, Utah

17

Gentlemen:

In reference to the above mentioned wells, considerable time has gone by since approval was obtained from this office.

This office has not received any notification of spudding. If you do not intend to drill these wells, please notify this Division. If spudding or any other activity has taken place, please send necessary forms. If you plan to drill these locations at a later date, please notify as such.

We will be happy to acknowledge receipt of your response to this notice if you will include an extra copy of the transmittal letter with a place for our signature, and a self addressed envelope for the return. Such acknowledgement should avoid unnecessary mailing of a firm second notice from our agency.

Your prompt attention to the above will be greatly appreciated.

Respectfully,

DIVISION OF OIL, GAS AND MINING

Cari Furse  
Well Records Specialist

CF/cf

June 2, 1982

Kenneth Pixley D.B.A. K.P. Enterprises  
1775 No. Beck Street  
Salt Lake City, Utah 84116

RE: Well No. C.D.I. #1  
Sec. 8, T8N, R7W  
Box Elder County

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with the Order issued in Cause No. 420-1, dated 2-17-66.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

CLEON B. FEIGHT  
Office: 533-5771  
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-003-30024.

Sincerely,

DIVISION OF OIL, GAS AND MINING

  
Ronald J. Firth  
Chief Petroleum Engineer

RJF:SC  
cc: State Lands  
Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE\*
(Other instructions on reverse side)

ML-32317
5. Lease Designation and Serial No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work
DRILL [X] DEEPEN [ ] PLUG BACK [ ]
b. Type of Well
Oil Well [X] Gas Well [ ] Other [X]
Single Zone [X] Multiple Zone [ ]

6. If Indian, Allottee or Tribe Name
K-P, 2
7. Unit Agreement Name
Rozel Point
8. Farm or Lease Name
C.D.I. 1
9. Well No.
Rozel

2. Name of Operator
Kenneth Pixley D.B.A. K.P. Enterprises 532-1222

3. Address of Operator
1775 No. Beck Street Salt Lake City, Utah 84116

4. Location of Well (Report location clearly and in accordance with any State requirements.\*)
At surface 1216' So. & 416' W from NE corner of SE 1/4 Sec. 8, T 8N, R 7W, SLB&M
At proposed prod. zone same 1224 FSH 416 FEH NESB

10. Field and Pool, or Wildcat
Sec. 8 T 8N R 7W SLB&M
11. Sec., T., R., M., or Blk. and Survey or Area
Box Elder Utah

14. Distance in miles and direction from nearest town or post office\*
Rozel Point 40 miles S.W. Corrinne, Utah

12. County or Parrish
Box Elder
13. State
Utah

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any)
1800 +/-

16. No. of acres in lease
17. No. of acres assigned to this well
1

18. Distance from proposed location\* to nearest well, drilling, completed, or applied for, on this lease, ft.
104 ft.

19. Proposed depth
260 ft.
20. Rotary or cable tools
Rotary

21. Elevations (Show whether DF, RT, GR, etc.)
4203 GR

22. Approx. date work will start\*
4-25-82

23. PROPOSED CASING AND CEMENTING PROGRAM
Table with columns: Size of Hole, Size of Casing, Weight per Foot, Setting Depth, Quantity of Cement. Values: 8", 8", 22.36, 100 ft. +/-, 0

- 1. Drill hole and set 30 ft. of 10" 28.04 lb. surface casing which will not be cemented.
2. Drill hole and set 8" casing into basalt bedrock 110 ft. - 150 ft. +/-
3. Drill hole to total depth, bottom of zone approximately 260 ft. leaving open hole without casing into bedrock.
4. Oil is dense asphalt and contains no gas pressure, blowout preventer will not be used.

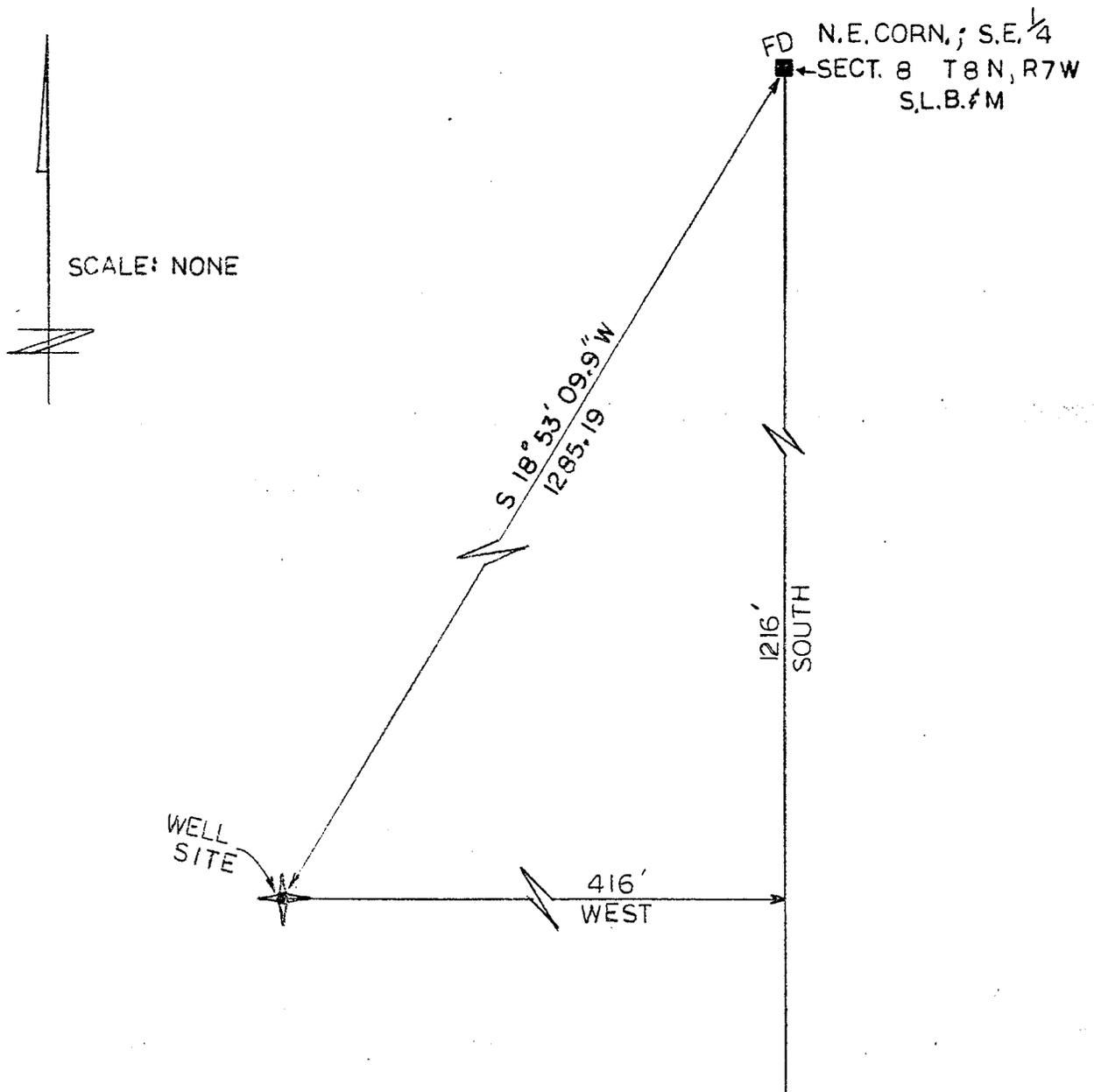
APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 5/26/82
BY: [Signature]

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any

24. Signed: [Signature] Title: Date:
(This space for Federal or State office use)

Permit No. Approval Date
Approved by Title Date
Conditions of approval, if any:

\*See Instructions On Reverse Side



SURVEYOR'S CERTIFICATE

I, Wallace C. France, do hereby certify that I am a Registered Land Surveyor, and that I hold Certificate No. 4096 as prescribed by the Laws of the State of Utah, and I have made a survey to the following point:

A well site being located 1216 feet South and 416 feet West from the Northeast corner of the Southeast quarter of Section 8, Township 8 North, Range 7 West, Salt Lake Base and Meridian.

I further certify that the above plat correctly shows the dimensions of the point located.

May 20, 1982  
 Date

Wallace C. France  
 Certificate No. 4096



December 28, 1981

K P Enterprises  
Drawer 0  
Altus, Oklahoma, 73521

Gentlemen;

Great Salt Lake Exploration Company is the owner of that certain Oil and Gas Lease in the State of Utah covering certain land in Township 8, North, Range 7 West, Salt Lake Meridian, Box Elder County, Utah, recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, of records of Box Elder County, Utah, to which reference is hereby made for this and all other purposes.

If you will commence on or before March 30, 1982, the drilling of the well to be located on our lands in Section 8 and prosecute the drilling of the same with due diligence to a depth sufficient to produce, and if you complete the same within a reasonable time not later than sixty (60) days from date of commencement, we agree to assign to you without warranty in law or in equity the above described lease insofar as it covers the forty (40) acres surrounding the drill site in Section 8 subject, however, to the following conditions and obligations, to wit:

1. In any assignment issued under the terms hereof, we shall reserve and retain all the oil and gas rights in the above described lease or any modifications, renewals or extensions thereof below the drill point of your well or wells. Your drill point shall not exceed 3,500 feet in depth. We shall reserve all rights below drill point.

2. If you fail to begin actual drilling of a well upon the above described tract in the manner and in the time limit herein set forth or having begun the same within said time fail to complete the well with due reasonable diligence within the time limit herein set out, this Agreement, at our option, may be terminated.

3. We are not to deliver to you an assignment of said lease to the acreage hereinabove described until you shall have completed the wells herein provided. In said assignment, we shall reserve and retain a free overriding royalty of 1/16th of all the oil and gas, condensate gas and distillate and other hydrocarbons which may be produced from said premises under any virtue of the lease above described or any modification, renewals or extensions thereof which override shall be convertible at our election at any time to a twenty-five percent (25%) working interest.

4. This Agreement is made with the understanding that we shall always have freedom of the derrick floor and you will furnish to us all information pertaining to the well or wells drilled hereunder, including cores and cuttings and shall notify us both as to spudding of any well and abandonment of any well prior to abandonment.

5. You agree to drill a second well by May 1, 1982, under the same terms and conditions described above and shall earn forty (40) acres around second well to drill point, not to exceed 3,500 feet, subject to the same agreement regarding override and working interest as specified above.

6. You further agree to drill two wells in each additional year earning forty (40) acres around each well you drill and produce, subject to the same terms and conditions hereinabove specified, with our retaining the same override convertible to a working interest at our election at any time as specified above.

7. The price of the oil shall be determined as follows: The same as State of Utah for Royalty.

8. We reserve the right of ingress and egress at all times on all acreage assigned to you, to enable us to drill and produce on the acreage assigned to you but below the depth to which you have drilled and are producing.

9. This agreement is personal and cannot be assigned unless consent of lessor is first obtained in writing.

10. All notices or any requests made under the terms hereof including authority to plug and abandon shall be given to or made by Jack Crichton of Dallas Resources, Inc., lessors designated representative.

This letter is in triplicate and is not binding upon either party hereto until accepted by the other and two signed copies are returned to us within ten (10) days from date hereof. Upon receipt of the two signed copies by us within ten (10) days, this letter will constitute a valid and binding contract between us and K P Enterprises.

GREAT SALT LAKE EXPLORATION COMPANY

by: Jack Crichton  
Jack Crichton  
Its Attorney in Fact

The foregoing is accepted and all its terms and conditions this \_\_\_\_\_  
day of \_\_\_\_\_, 198/.

K P ENTERPRISES

By: [Signature]  
Its President  
K P Enterprises

P. O. Drawer "0"  
Altus, Oklahoma, 73521  
March 20, 1982

Mr. Jack Crichton  
10830 N. Central Expressway  
Suite #175, Central Square  
Dallas, Texas

Dear Mr. Crichton;

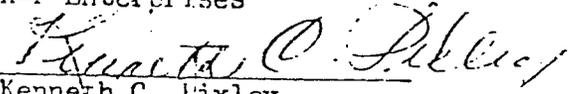
In regard to our telephone conversation last week I am sending you this letter asking for an extension of thirty (30) days of our agreement to drill a well on the lease in Box Elder County. This agreement will end March 31, 1982, and are asking for an extension until April 30, 1982.

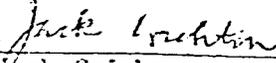
Due to adverse weather conditions in Utah this winter we have been unable to drill in the location we had wanted, and feel that this extension is necessary to benefit all parties involved.

Please find enclosed a copy of this letter for your signature and return the original letter signed as soon as possible.

Sincerely yours,

K-P Enterprises

  
Kenneth C. Pixley

  
Jack Crichton  
for Coal Salt Exploration Co.  
KCP/rfp  
Encl. 1

P. O. Drawer "0"  
Altus, Oklahoma, 73521  
April 25, 1982

The Great Salt Lake Exploration Co.  
10830 N. Central Expressway  
Suite 5175  
Dallas, Texas, 75231

ATTENTION: Mr. Jack Crichton

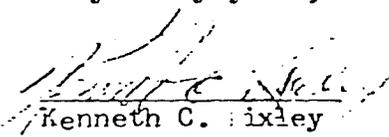
Dear Mr. Crichton;

As per recent telephone conversation concerning the weather conditions on our roads being built in the Great Salt Lake area, we are in need of another thirty (30) days extension. Will you please sign and return this letter as our agreement for our files?

We now have our permit and have made arrangements with the drilling company to drill the well. We have also started hauling in materials on our roadway.

We will keep you informed as we progress on the above.

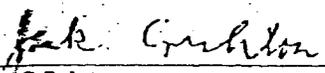
Very truly yours,

  
Kenneth C. Pixley

ACP/rjs

The foregoing is accepted and all its terms and conditions this 3rd

day of May, 1982

  
\_\_\_\_\_  
Jack Crichton

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

MICROFICHE

B C N D

KNOW ALL MEN BY THESE PRESENTS,

That WE: Kenneth Pixley, dba K.P. Enterprises

of 1775 N. Beck Street in the  
County of Salt Lake City State of: Utah

as principal and UNITED STATES FIDELITY AND GUARANTY COMPANY

as surety, authorized to do business in this State, are held and firmly bound unto the State in the penal sum as indicated, lawful money of the United States, for which Payment, will and truly be made to the State of Utah for the use and benefit of the Division of Oil, Gas and Mining, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation is that whereas the above bounden principal proposes to drill a well or wells for oil, gas or stratigraphic purposes in and upon the following described land situated within the State of Utah, to wit:

# 1

Drilling Permit Bond: 1216' S. & 416' W from NE corner of SE 1/4 Sec. 8  
t8N, R7W, S1B&M, Elder County, Utah

NOW THEREFORE, if the above bounden principal shall comply with all of the provisions of the laws of this State, and the rules and regulations and orders of the Division of Oil, Gas and Mining of the State, including, but not limited to, the proper plugging of said well or wells, and filing with said Division of the State, all notices and records required by said office, then this obligation is void; otherwise, the same shall be and remain in full force and effect.

\*Penal Sum of Five Thousand and no/100<sup>th</sup> -- (\$ 5,000) State of Utah

Witness our hands and seals, this 13<sup>th</sup> day of August, 1982

K.P. Enterprises  
Kenneth Pixley Principal

Witness our hands and seals, this 31<sup>st</sup> day of August, 1982

UNITED STATES FIDELITY AND GUARANTY COMPANY  
Linda Arent Surety Attorney-in-Fact

Approved as to form and execution:  
ATTORNEY GENERAL

By: \_\_\_\_\_  
Date: \_\_\_\_\_

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany this bond.)

\*See reverse side for instructions and bonding requirements

GENERAL POWER OF ATTORNEY

No. 90670

Know all Men by these Presents:

That UNITED STATES FIDELITY AND GUARANTY COMPANY, a corporation organized and existing under the laws of the State of Maryland, and having its principal office at the City of Baltimore, in the State of Maryland, does hereby constitute and appoint

Linda Avent

of the City of Oklahoma City, State of Oklahoma, its true and lawful attorney ~~for and for the State xxx~~

for the following purposes, to wit:

To sign its name as surety to, and to execute, seal and acknowledge any and all bonds, and to respectively do and perform any and all acts and things set forth in the resolution of the Board of Directors of the said UNITED STATES FIDELITY AND GUARANTY COMPANY, a certified copy of which is hereto annexed and made a part of this Power of Attorney; and the said UNITED STATES FIDELITY AND GUARANTY COMPANY, through us, its Board of Directors, hereby ratifies and confirms all and whatsoever the said

Linda Avent

may lawfully do in the premises by virtue of these presents.

In Witness Whereof, the said UNITED STATES FIDELITY AND GUARANTY COMPANY has caused this instrument to be sealed with its corporate seal, duly attested by the signatures of its Vice-President and Assistant Secretary, this 20th day of June, A. D. 1980

UNITED STATES FIDELITY AND GUARANTY COMPANY.

(Signed) By James D. Rector, Vice-President.

(SEAL) (Signed) William J. Phelan, Assistant Secretary.

STATE OF MARYLAND, } ss: BALTIMORE CITY, }

On this 20th day of June, A. D. 1980 before me personally came James D. Rector, Vice-President of the UNITED STATES FIDELITY AND GUARANTY COMPANY and William J. Phelan, Assistant Secretary of said Company, with both of whom I am personally acquainted, who being by me severally duly sworn, said that they, the said James D. Rector and William J. Phelan were respectively the Vice-President and the Assistant Secretary of the said UNITED STATES FIDELITY AND GUARANTY COMPANY, the corporation described in and which executed the foregoing Power of Attorney; that they each knew the seal of said corporation; that the seal affixed to said Power of Attorney was such corporate seal, that it was so fixed by order of the Board of Directors of said corporation, and that they signed their names thereto by like order as Vice-President and Assistant Secretary, respectively, of the Company.

My commission expires the first day in July, A. D. 1982.

(SEAL) (Signed) Margaret M. Hurst, Notary Public.

STATE OF MARYLAND } Sect. BALTIMORE CITY, }

I, William Allen, Clerk of the Superior Court of Baltimore City, which Court is a Court of Record, and has a seal, do hereby certify that Margaret M. Hurst, Esquire, before whom the annexed affidavits were made, and who has thereto subscribed his name, was at the time of so doing a Notary Public of the State of Maryland, in and for the City of Baltimore, duly commissioned and sworn and authorized by law to administer oaths and take acknowledgments, or proof of deeds to be recorded therein. I further certify that I am acquainted with the handwriting of the said Notary, and verily believe the signature to be his genuine signature.

In Testimony Whereof, I hereto set my hand and affix the seal of the Superior Court of Baltimore City, the same being a Court of Record, this 20th day of June, A. D. 1980

(SEAL) (Signed) William Allen, Clerk of the Superior Court of Baltimore City.

COPY OF RESOLUTION

*That Whereas*, it is necessary for the effectual transaction of business that this Company appoint agents and attorneys with power and authority to act for it and in its name in States other than Maryland, and in the Territories of the United States and in the Provinces of the Dominion of Canada and in the Colony of Newfoundland.

*Therefore, be it Resolved*, that this Company do, and it hereby does, authorize and empower its President or either of its Vice-Presidents in conjunction with its Secretary or one of its Assistant Secretaries, under its corporate seal, to appoint any person or persons as attorney or attorneys-in-fact, or agent or agents of said Company, in its name and as its act, to execute and deliver any and all contracts guaranteeing the fidelity of persons holding positions of public or private trust, guaranteeing the performances of contracts other than insurance policies and executing or guaranteeing bonds and undertakings, required or permitted in all actions or proceedings, or by law allowed, and

*Also*, in its name and as its attorney or attorneys-in-fact, or agent or agents to execute and guarantee the conditions of any and all bonds, recognizances, obligations, stipulations, undertakings or anything in the nature of either of the same, which are or may by law, municipal or otherwise, or by any Statute of the United States or of any State or Territory of the United States or of the Provinces of the Dominion of Canada or of the Colony of Newfoundland, or by the rules, regulations, orders, customs, practice or discretion of any board, body, organization, office or officer, local, municipal or otherwise, be allowed, required or permitted to be executed, made, taken, given, tendered, accepted, filed or recorded for the security or protection of, by or for any person or persons, corporation, body, office, interest, municipality or other association or organization whatsoever, in any and all capacities whatsoever, conditioned for the doing or not doing of anything or any conditions which may be provided for in any such bond, recognizance, obligation, stipulation, or undertaking, or anything in the nature of either of the same.

I, George W. Lennon, Jr., an Assistant Secretary of the UNITED STATES FIDELITY AND GUARANTY COMPANY, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney given by said Company to

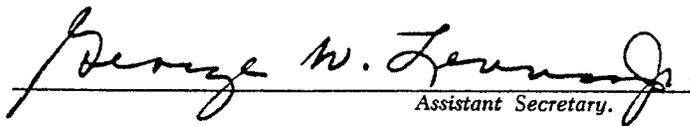
Linda Avent

of Oklahoma City, Oklahoma, authorizing and empowering her to sign bonds as therein set forth, which power of attorney has never been revoked and is still in full force and effect.

And I do further certify that said Power of Attorney was given in pursuance of a resolution adopted at a regular meeting of the Board of Directors of said Company, duly called and held at the office of the Company in the City of Baltimore, on the 11th day of July, 1910, at which meeting a quorum of the Board of Directors was present, and that the foregoing is a true and correct copy of said resolution, and the whole thereof as recorded in the minutes of said meeting.

*In Testimony Whereof*, I have hereunto set my hand and the seal of the UNITED STATES FIDELITY AND GUARANTY COMPANY on

(Date) August 13, 1982

  
Assistant Secretary.